

October 20, 2003

To: Dan Castleberry, Director
Ecosystem Restoration Program
California Bay Delta Authority

From: ERP Science Board

Re: Proposed changes to the PSP Process

Several members of the Science Board for the Ecosystem Restoration Program (ERP) have participated with program and agency staff in discussing the design of the next Proposal Solicitation Process (PSP). The Independent Science Board has a long involvement in the PSP process, as it is key to the success of the Ecosystem Restoration Program. The design and implementation of the PSP process is at the heart of Ecosystem Restoration precisely because it is the main administrative tool for implementing the actions necessary to affect restoration of the ecosystem. An effective PSP process should be as free of bias as possible, be a tool for program integration, focus the attention of the scientific community on the necessary next steps in restoration, have rigorous and effective peer review of proposals from the scientific community and be as transparent as possible to the proposers and to the public.

The Board feels that the cooperative work of many within the CALFED process finally achieved a very good PSP for the FY03 work plan. It embodied many of the criteria that are necessary for an effective process. There was a very strong review process, beginning with the technical reviews that were carried out by independent scientists. These reviews were then considered by the technical review panels and placed in either the research or restoration categories, the proposals that were highly ranked by the technical panels were then considered by the Selection Panel. It was at the level of the Selection Panel that strategic considerations were brought to bear in recommending a slate of proposals. The Selection Panel did not have to deal with the technical merits of the proposals, as had occurred in past years, as those aspects were already dealt with by panels convened specifically for that purpose. As a result of careful planning and adjustment the process was strongly science-based and good leadership from the Lead Scientist ensured this throughout?

Proposals that showed promise but which required some specific rethinking were not funded straight away but transferred into the 'Directed Action' (DA) proposal track. This allowed proponents to revise and resubmit their proposals for review without waiting for the next PSP. In addition, related proposals that addressed some important ERP strategic goals, e.g., Hg and NNIS, were grouped and invited to resubmit as DA following coordination, workshops, etc. Proposals resubmitted under the DA process underwent a review process similar to the original PSP but in most cases a technical review panel was not convened to summarize and evaluate the mail-in peer reviews. This placed the SP in the position of both evaluating the proposals technical merits and assessing how well the

proposal might contribute to ERP strategic goals. The Board believes this 'dilution' of the outstanding PSP process of 2001 is regrettable, and that the separation of technical evaluation from strategic review should be a key component of the Yr 4PSP process.

For a number of reasons the ERP staff have proposed some fundamental changes in the FY 04 PSP. Because the Board wished to continue to have an effective PSP process several members of the Board have undertaken an analysis of the potential impact of these changes.

The proposed change in the PSP would be to carrying out a series of five separate but smaller solicitations rather than a single annual process. The five solicitations would include:

1. Next phase funding for projects that had been previously selected and that were deemed necessary to continue.
2. A series of topical areas in smaller and more focused solicitations.

The ERP staff rationale for the proposed changes is twofold:

1. The large amount of work for staff and contractors to processing several hundred proposals in a short period of time would be spread throughout the year, making it easier for managing the work load. This change would therefore result in more efficient use of staff resources
2. It would allow greater leveraging of supplemental funds to achieve a better result for the "single blueprint". Other programs that have funds available for similar goals would be more likely to participate if there is a more focused solicitation in which they could see the opportunities for cooperation more clearly.

Board Analysis of Yr 4 PSP Proposed Process

In our view the reasons for these changes are for the convenience of the administration and the prospect of obtaining other funds by coordination of programs outside of CALFED, but apparently the impact of these changes on program effectiveness were deemed less important. The new proposed process of many annual solicitations has the following characteristics

- It would lessen the chance that important principles would be applied consistently across multiple reviews.
- Weakens the chances that the best proposals, of all submitted through the year, would get funded
- Weakens flexibility for innovation and creativity by proposers.
- Eliminates the single selection panel which now gets a view of the whole program. Selection Panel members can lose interest and focus if process is compartmentalized, and it will be more difficult to attract good scientists to assist with a protracted and fragmented process.
- Splitting up workload means splitting up the funding, Decisions made early in the year will invariably constrain decision making later in process.
- This approach also works strongly against integration.

Recommendations

The Board recommends the following principles be maintained throughout the Yr4 and subsequent PSP activities:

- Maintain objectivity/transparency in selection through rigorous scientific/technical review
- Maintain conceptual and fiscal program integration
- Retain PSP as highly visible focal point of ERP implementation, that generates interest in ERP and displays its strategic vision

The Board believes these principles are best achieved through a single solicitation that highlights ERP areas of interest and opportunities for coordination with other programs. We recognize the peak workload issues for staff but strongly believe a single solicitation is more efficient in staff time in long run, and that important principles concerning ERP implementation should not be sacrificed on this basis.